

CLEARSIGN COMBUSTION CORP
 Form 4
 October 24, 2014

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HARMON JAMES N

2. Issuer Name and Ticker or Trading Symbol
CLEARSIGN COMBUSTION CORP [CLIR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
12870 INTERURBAN AVENUE SOUTH
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
10/23/2014

____ Director
 Officer (give title below) _____ Other (specify below)
Chief Financial Officer

SEATTLE, WA 96168

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 10/23/2014 | | M | | 7,504 | A | \$ 4.88 |
| | | | | | 138,940 | | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Option to Purchase Common Stock | \$ 4.88 | 10/23/2014 | | M | 7,504 | ⁽¹⁾ 12/31/2022 | Common Stock | 7,504 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HARMON JAMES N 12870 INTERURBAN AVENUE SOUTH SEATTLE, WA 96168 | | | Chief Financial Officer | |

Signatures

/s/ James N.
Harmon 10/24/2014

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Subject to the right of the Reporting Person to exercise the option and purchase the option shares prior to vesting (an "Early Exercise"), the right to purchase the option shares vests at the rate of 6.25% at the end of each calendar quarter, beginning on March 31, 2013, and continues until the right to purchase all of the option shares has vested. The Reporting Person has elected Early Exercise. The option shares purchased as a result of Early Exercise are subject to the Issuer's right to repurchase at the exercise price if any such option shares are not vested on the date of the Reporting Person's separation from service. The Issuer's right to repurchase lasts for a period of 90 days from the date of the Reporting Person's separation from service.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.